CARBONADO SCHOOL DISTRICT No. 19 Pierce County, Washington September 1, 1991 Through August 31, 1994

Schedule Of Findings

1. The Carbonado School District Should Comply With Grant Requirements

During the 1992-93 school year, the district received an Emergency Food Assistance Program grant from the Department of Community, Trade and Economic Development. The grant was used to purchase a vehicle to distribute Food Bank commodities from Buckley to local families. The district also received other smaller grants during the audit period. In our review of grant contracts, the following weaknesses were noted.

- a. Grant contracts were not obtained and/or not organized in an orderly manner.
- b. Partial grant contracts were found with no signatures from the grantor.
- c. The district paid a gas station \$3,745 for future gas and maintenance on a vehicle used in a grant. The prepaying of expenditures was contrary to the grant contract.

The district was not able to assure itself that expenditures are made timely and in accordance with grant requirements. The Carbonado School District personnel did not realize the need to control grant contracts. Subsequent to the audit, the district recovered the advance payment and has remitted the money to the Department of Community, Trade and Economic Development.

<u>We recommend</u> the district develop policies and procedures to obtain signed contracts for all grants identifying whether the funding for the grant is state, federal or local. <u>We also recommend</u> the district review its grant requirements on a regular basis to ensure compliance with grant requirements.